

Ex. 22

US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
PUBLIC HOUSING PROGRAM

TURNKEY CONTRACT OF SALE (Leasehold)

PART I

THIS CONTRACT made on Nov 8, 2004 ("Date of this Contract") by and between Tony Gomes Construction Co., Inc., PO Box 86, Harrison, New Jersey 07029, 123 Johnson Street, Newark, New Jersey 07105 ("Seller") and Housing Authority of the City of Newark, 57 Sussex Avenue, Newark, New Jersey 07103, a Public Housing Agency ("Purchaser")

WHEREAS, Seller proposes to sell to Purchaser a completed Project consisting of improvements to Purchaser's land, and

WHEREAS, Purchaser desires to acquire the Project,

NOW, THEREFORE, Seller and Purchaser agree as follows:

- 1.1 IDENTIFICATION OF PROJECT. The Project, which is identified as Project No. NJ-39-P0002-053 in the Annual Contributions Contract attached as Exhibit A, shall consist of 56 dwelling units and related appurtenances as described in Exhibit B, upon land situated in Newark, New Jersey and as described in the legal description attached as Exhibit C.
- 1.2 PURCHASE PRICE. The Purchase Price is Eight Million Seven Hundred Eighty Thousand and 00/100 (\$8,780,000.00).
- 1.3 COMMENCEMENT DATE. Seller shall commence the Contract Work no later than November 15, 2004.
- 1.4 COMPLETION DATE. Seller shall Substantially Complete the Contract Work no later than December 31, 2005.
- 1.5 SETTLEMENT. Settlement shall be held at The Newark Housing Authority Offices within ten (10) calendar days after Purchaser and HUD have approved the Interim Certificate of Completion.
- 1.6 CONTRACT DOCUMENTS. This Contract consists of Part I, Part II, and the following Exhibits, which are attached to and made a part of this Contract.

Rider to Turnkey Contract of Sale

Exhibit A - Annual Contributions Contract No. 119, Dated April 17, 1959, as amended
October 1, 2003

Exhibit B - Plans and Specifications

Exhibit C - Land - Legal Description

Exhibit D - Manufacturers and Suppliers Guarantees and Warranties

Exhibit E - Department of Labor Wage Determination Decision

Exhibit F - Staging Information
Exhibit G - Performance Bond
Exhibit H - Lease

1.7 **WARRANTY OF PURCHASER'S AUTHORITY** Purchaser warrants that it is a duly organized body politic authorized by law to acquire land improvements thereon and that is in fact and in law authorized by law to execute this Contract.

1.8 **EVENTS CONSTITUTING DEFAULT UNDER THIS CONTRACT AND THE ANNUAL CONTRIBUTIONS CONTRACT** Any breach of the warranty in Section 1.7 or if the Purchaser fails to expeditiously continue the undertaking of the Project or to comply with this Contract, or if this Contract be held void, voidable, or ultra vires, or if the power or right of the Purchaser to enter into this Contract is drawn into question in any legal proceeding or if the Purchaser asserts or claims that this Contract is not binding upon the Purchaser for any such reason, the occurrence of any such event shall be deemed a default hereunder, and a Substantial Default under the following Section of the Annual Contributions Contract included in this Contract as Exhibit A.

Special Provisions for Turnkey Project No. NJ39-P002-053 The Purchaser will acquire Project No. NJ-39P002-053 pursuant to a Contract of Sale to be entered into between the Seller and the Purchaser. Such contract shall bear the written approval of the U.S. Department of Housing and Urban Development ("HUD"). Failure of the Purchaser to expeditiously continue the undertaking of the Project or to comply with the Contract or, if the Contract of Sale is drawn into question in any legal proceeding, or if the Purchaser asserts or claims that the Contract of Sale is not binding upon the Purchaser for any such reason, the occurrence of any such event, if the Seller is not in default, shall constitute a substantial default by the Purchaser and, in such case HUD will continue the undertaking of the Project and will take delivery of such right, title or interest in the project as the Purchaser may have and perform such Contract of Sale, as the case may be. The provisions of this paragraph are made with, and for the benefit of, the Seller and its assignees who will have been specifically approved by HUD prior to such assignment to enforce the performance of this provision, the Seller and such assignees, as well as the Purchaser, shall have the right to proceed against HUD by action at law or suit in equity. In order to assist in financing the acquisition cost (herein called Development Cost) of the Project, HUD shall grant to the Purchaser an amount equal to Six Million Two Hundred Ninety Thousand Six Hundred (\$6,290,600) Dollars. The Purchaser represents and warrants to HUD and the Seller that the Purchaser has appropriated and reserved currently available funds for the payment of the portion of the Purchase Price not funded through the HUD grant.

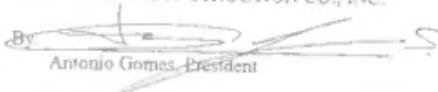
1.9 **APPROVAL BY HUD** The approval of this Contract by HUD signifies that the undertaking by the Purchaser of the acquisition of the Project constitutes a "Project" eligible for financial assistance under the Annual Contributions Contract included in this Contract as Exhibit A; that said Annual Contributions Contract has been properly authorized; that funds have been reserved by HUD and will be available to effect payment and performance by the Purchaser hereunder; that HUD has approved the terms and conditions of this

Contract; and that HUD and the Purchaser have agreed that they shall not amend or modify the Annual Contributions Contract in any manner which would reduce the amount of the ~~300,000.00~~ \$300,000.00 per year contribution with respect to the Project.

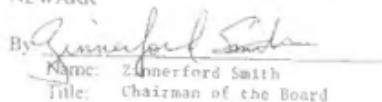
EXECUTION

IN WITNESS WHEREOF, the Seller and Purchaser have caused this Contract to be executed in six (6) original counterparts as of the date of this Contract.

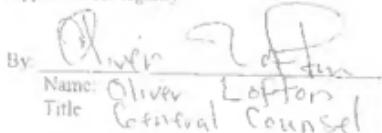
Seller
TONY GOMES CONSTRUCTION CO., INC.

By 
Antonio Gomes, President

Purchaser
THE HOUSING AUTHORITY OF THE CITY OF
NEWARK

By 
Name: Zinnerford Smith
Title: Chairman of the Board

Approved for legality

By 
Name: Oliver Lofton
Title: General Counsel

APPROVED:

United States of America

Secretary of Housing and Urban Development

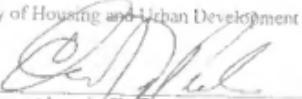
By: 
Name: Edward J. Pauls
Title: Director, PIH

EXHIBIT E

The Construction shall be performed in three stages (or phases) as reflected in the Plans and Specifications (Exhibit B) and the Land Descriptions (Exhibit C). Upon Substantial Completion of each Phase, the Purchaser shall purchase from the Seller all of the dwelling units and other improvements included in such phase. The phases are summarized as follows:

<u>Phase</u>	<u>Dwelling Units</u>	<u>Estimated Target Construction Period</u>	<u>Price</u>
1	19 units plus community and storage buildings	On or about June 30, 2005	\$1,920,000
2	19 units	On or about July 31, 2005	\$2,530,000
3	18 units	On or about August 31, 2005	\$2,330,000
	56 units		\$8,780,000